

AMERICAN JEWISH CONGRESS
1980 BIENNIAL CONVENTION

DRAFT RESOLUTION

on
Energy

1 The American Jewish Congress has long been concerned with the
2 formulation of an effective, safe, comprehensive energy program
3 designed to make the United States less dependent upon OPEC sources.
4 The development of an effective United States energy policy is vital
5 to the economic and social well-being of our country, to our national
6 security, to the maintenance of an independent foreign policy, and to
7 world economic and political stability.

8 Despite the widespread recognition of this need, American oil
9 imports from all sources have increased from 25 percent of consump-
10 tion in 1971 to the current level of about nine million barrels per
11 day -- almost half of United States current oil consumption. And
12 about one-third of the oil imported comes from Persian Gulf
13 countries.

14 America's reliance on imported oil at ever increasing prices
15 (over tenfold since 1973) contributes to staggering inflation in
16 the United States, a shrinking dollar, and a United States balance
17 of payments deficit of over \$28 billion. This threatens to curtail
18 United States economic growth and to exacerbate group tensions over
19 a shrinking economic pie. Energy decisions will help determine
20 whether we have an expanding or contracting economy and whether the

21 American government can continue to fund the social and economic
22 programs which the Jewish community has traditionally endorsed.

23 We believe the following measures can be instrumental in
24 reducing the stranglehold of the OPEC cartel and in moving toward
25 a more competitive world market. We therefore urge that these
26 proposals, among others, be considered and acted upon quickly as
27 an intrinsic part of a total energy package.

28 1) Removal of foreign tax credits for oil produced by
29 American companies in OPEC countries; 2) imposition of an import
30 quota on all foreign oil except that produced in the Western
31 Hemisphere; 3) adoption of a sealed-bidding technique to allocate
32 imports within these quotas; 4) creation of a tax-free zone in
33 the Western Hemisphere for oil produced in that area.

34 Pending the establishment of a competitive market, and in
35 the immediate future, conservation must be the cornerstone of
36 our national energy policy. This will be especially true during
37 the period of transition from reliance on unstable sources of
38 foreign oil to the attainment of a diversified mix of secure
39 energy sources. We therefore call for a program of conservation
40 that will have both voluntary and mandatory aspects.

41 Toward this end, and in order to facilitate and encourage
42 the installation and use of currently available conservation
43 methods, such as co-generation -- the combined production of
44 heat and power -- and "retrofit" changes in equipment and build-
45 ing structure that improve thermal and lighting efficiency, the

46 AJCongress supports the granting of significant tax credits and
47 other incentives to business, industry, and the individual consumer
48 for the use of these devices. Recent studies demonstrate that it
49 is possible to reduce industrial energy use, in economically justifi-
50 able ways, by more than a third -- simply by diligent use of familiar
51 and available conservation methods, and even without further techno-
52 logical innovation or breakthrough.

53 To demonstrate our own commitment to this task, we direct that
54 our own offices across the country conduct an energy conservation
55 audit to ascertain our own degree of operating efficiency and there-
56 after to eliminate any wasteful and excessive energy use that may
57 be uncovered. There can be no genuine national program of energy
58 conservation until each of us acts to curb his own extravagance.
59 Conservation begins with the switching off of the first unnecessary
60 light.

61 We recognize further that, in seeking to expand our country's
62 access to energy, it will be imperative to supplement rigorous con-
63 servation policies with programs which will augment energy supply.
64 We believe that energy shortages for the next decade at least can
65 be alleviated by employing an energy mix which must include all avail-
66 able energy sources, using every means to ensure no more than minimal
67 environmental damage but recognizing that some trade-offs in
68 ecological factors are probably unavoidable and inevitable.

69 Recent studies indicate that active solar heating systems can
70 make a marked contribution toward decreasing reliance upon oil and

71 other conventional energy sources. In particular, biomass and
72 solid waste (the conversion of organic matter from plants and
73 animals into gas or liquid fuel) and photovoltaics (small silicon
74 cells that convert sunlight directly into electricity) are poten-
75 tially feasible technologies nearing the breakthrough stage. We
76 urge the Federal Government to encourage the expansion of research
77 and development of solar energy by providing support in the form
78 of facilities, as well as economic incentives to potential solar
79 energy producers, developers, distributors and consumers.

80 Similarly, we urge the United States to expand presently avail-
81 able domestic energy resources -- coal gasification and liquefaction,
82 extraction of shale oil, synthetic fuels, gasohol and others -- and
83 to allocate significantly larger funds for this purpose. In
84 addition, efforts must be made to determine and meet a reasonable
85 goal for nuclear energy. The Three Mile Island episode demands
86 that our nuclear installations include the most advanced technologi-
87 cal systems and methods to provide maximum security against any
88 possibility of nuclear accident. We, therefore, call for renewed
89 efforts to make certain that plants now in use and those under
90 construction will incorporate in their design and operation all
91 maximum safety guarantees and controls.

92 Finally, we oppose proposals for the deregulation of domestic
93 oils and gas. The expectation that deregulation will result in
94 expanded domestic production has not been fulfilled by decontrols
95 adopted thus far. On the contrary, there is reason to believe

96 that deregulation will encourage domestic producers to continue to
97 retain these fuels in their natural site in the ground in the hope
98 that retrieval at some future time will produce open-ended profit
99 anticipation.

100 The only practical result of deregulation would be to create
101 enormous windfall profits for the oil industry, inevitably carrying
102 in its wake severe economic dislocation with its attendant hardships
103 visited with special force upon the poor. We believe deregulation
104 at the present time would be both ineffective and unconscionable.

105 Instead, we recommend a significant tax at the pump of 50¢ per
106 gallon. A tax at the pump would accomplish many of the objectives
107 claimed by the proponents of deregulation, but in more equitable
108 and advantageous manner. It would have the effect of not only
109 deterring consumption but of assuring that additional revenues would
110 be channeled to the national treasury from which all benefit alike,
111 rather than to private treasuries from which only a few stand to gain.

112 In the event of further curtailment of supply, critical shortages
113 may develop. In these circumstances we would support a program of
114 rationing of gas and oil -- to insure a fair and just allocation of
115 limited resources and to insure that all citizens of our country
116 would have equal access to the limited stores that may be available
117 and would bear together and equally the burdens that crisis may
118 impose.

119 What has been termed by the President to be the moral equiva-
120 lent of war requires at least the political and economic equivalent

121 of a national space program. We believe our energy problems are
122 not so intractable as to be beyond solution. Solution, however,
123 depends upon the perception of urgent national need and the commit-
124 ment of manpower and funds commensurate with the challenge. We,
125 therefore, call for the establishment of a Federally funded
126 centralized energy project to discharge this task.